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SIPDIS

C O R R E C T E D C O P Y: QUOTATION AND APOSTROPHE SIGNS
CORRECTED THROUGHOUT TEXT

SIPDIS

E.O. 12958: DECL: 05/25/2016
TAGS: [MARR](#) [PREL](#) [KPAO](#) [ECA](#) [IIP](#) [IC](#)
SUBJECT: ICELANDIC ACADEMIC CLAIMS U.S. BASE SHUTDOWN TIED
TO FORMER PM ODDSSON,S RETIREMENT

Classified By: DCM Philip Kosnett Reason: 1.5d

¶1. (C) Summary: An Icelandic historian's assertion that the U.S. would not be shutting down Naval Air Station Keflavik (NASKEF) had former PM and FM David Oddsson not retired from politics has excited the media and driven the country's leading politicians into a round of recriminations. The suggestion that Haarde "lost the Americans" will put pressure on the GOI to adopt a tough stance at upcoming talks on base closure issues, and to continue to push the U.S. for "robust, visible defense arrangements" in the post-NASKEF era. End summary.

¶2. (SBU) Icelandic politicians of every stripe have rushed to respond to the publication this month of an article by historian Valur Ingimundarson in an Icelandic literary journal. Ingimundarson concluded that the personal relationship between President Bush and Iceland's David Oddsson (Independence Party Prime Minister until 2004 and then Foreign Minister until his resignation from politics in September 2005) was responsible for the retention of U.S. military forces in Iceland until this year. Oddsson's successors (Progressive Party PM Halldor Asgrimsson and Independence Party FM Geir Haarde) lacked the Washington pull to save NASKEF, the historian hypothesized. Ingimundarson, who interviewed Washington officials on a December 2005 Voluntary Visitor trip, sourced his story in part to unnamed USG officials.

¶3. (SBU) Key politicians, comments:

-- Asgrimsson told the media, "I would find it strange if the U.S. makes decisions like that. If they work like that they wouldn't be very credible in the eyes of other countries... I have met the U.S. President a few times, and he has always been friendly to us Icelanders. Personal connections always matter in that context, but in the files I have nothing that indicates such a personal commitment..."

-- Haarde acknowledged that Oddsson's good relationship with the U.S. had been important but, asked if he were upset that he did not have comparable connections, replied, "I don't lose sleep over it." Bilateral discussions continue, he added, and the Government's job now is to deal with what emerges from them.

-- Ingibjorg Solrun Gisladottir, chair of the main opposition Alliance, drew attention to the article's mention (not previously widely known in Iceland) that the U.S. had informed Oddsson in December 2002 of its decision to withdraw U.S. fighters from Iceland, and that the GOI had not gone public with this until after May 2003 elections. (In the end, Oddsson persuaded the White House to reconsider withdrawal of the aircraft, effectively delaying the

withdrawal until this year.) Gisladdottir said that the Icelandic Government's support for the invasion of Iraq could now be seen in a completely new light. (Comment: Gisladdottir seems to suggest that Oddsson's support for the U.S. on Iraq was not a matter of principle but a bid to reverse the U.S. decision to withdraw the fighters. End comment.)

-- Gisladdottir's party colleague Ossur Skarphedinsson, Left Green Party Chair Steingrimur Sigfusson, and Liberal Party Chair Gudjon Arnar Kristjansson have called for a parliamentary investigation of how the 2002 notification was "covered up" and of how the notification (may have) influenced Iceland's Iraq policy.

14. (SBU) Ingimundarson told POLOFF May 26 he was surprised at the uproar, reflecting that the GOI is "of course wounded about (the closure of NASKEF)" and that the media had exaggerated and sensationalized his arguments. The tempest, he mused, is symptomatic of politicians, (and their media friends,) anxiety about the future of U.S-Iceland defense ties.

15. (C) Comment: Ingimundarson's thesis bears a striking resemblance to that put forward to POLOFF March 17 by Oddsson's son, Thorsteinn Davidsson, political advisor to Minister of Justice Bjorn Bjarnason (Independence Party). Davidsson, Bjarnason, and others in the IP's right wing are furious at the ascendance of the moderate Haarde as IP Chairman and likely next Prime Minister. They are privately frustrated at the conciliatory tone Haarde has taken toward the U.S. since the base drawdown announcement March 15. It is possible they encouraged Ingimundarson (son of an Oddsson ally) to burnish their hero Oddsson's legacy and pressure Haarde into taking a tougher negotiating stance.

16. (C) However the author came to develop his thesis, the public discussion of whether Haarde "lost the Americans" will bring pressure on the GOI to adopt a tough stance at upcoming talks on base closure issues and to continue to push the U.S. for "robust, visible defense arrangements" in the post-NASKEF era. End comment.

VAN VOORST